

Indirect tax

Value added tax

	2023/24 and 2022/23
Standard rate	20%
Annual turnover limits	2023/24 and 2022/23
Registration	£85,000
De-registration	£83,000
Flat rate scheme entrants turnover	£150,000

Stamp Duty Land Tax (SDLT)

Property purchased in England and Northern Ireland

Residential property

Band	Rate payable incremental
£0 to £250,000	0%
£250,000 to £925,000	5%
£925,000 to £1.5m	10%
Above £1.5m	12%

Purchasers of second properties are subject to a 3% surcharge over the above rates.
Certain non UK-resident purchasers are subject to a 2% surcharge over the above rates.

Non-residential and mixed use

Band	Rate payable incremental
£0 to £150,000	0%
£150,000 to £250,000	2%
Above £250,000	5%

First Time Buyers

Band	Rate payable incremental
£0 to £425,000	0%
£425,000 to £625,000	5%

Enveloped residential properties

Property purchases for more than £500,000 incur a flat rate of 15% on the whole value, unless a relief is available.

Leases

Residential - 1% on present value of rents above £250,000.

Non-residential and mixed use - 1% on present value of rents £150,000 to £5m, 2% above £5m.

Stamp duty

Shares and securities	0.5%
-----------------------	------

Business tax

Corporation tax

Taxable Profits	2023/24	2022/23
£1 to £50,000	19%	19%
£50,001 to £250,000	26.5%	19%
Over £250,000	25%	19%
Marginal relief fraction: £50,001 to £250,000	3/200	n/a

Capital allowances

Writing-down annual allowances	2023/24 and 2022/23
Main rate	18% p.a.
Special rate ⁽¹⁾	6% p.a.

Annual investment allowance - unincorporated businesses

100% allowance for expenditure on plant and machinery (excluding cars) up to:	£1,000,000
---	------------

First year allowances	2023/24 and 2022/23
Electric cars and cars with zero CO ₂ emissions, zero emission goods vehicles, equipment for electric vehicle charge points	100%

Full expensing - companies only ⁽²⁾	2023/24	2022/23
Main rate	100%	n/a
Special rate ⁽¹⁾	50%	n/a

Structures and buildings allowance	2023/24 and 2022/23
Expenditure incurred after 28 October 2018	3%

⁽¹⁾ Integral features, long life assets, thermal insulation of buildings, solar panels, cars with CO₂ emissions above 50g/km.

⁽²⁾ Replaces the 130% super deduction for expenditure incurred by a company within the charge to Corporation Tax on new, unused plant and machinery.

To see how we can help you, contact our tax team at:

MA Partners LLP 7 The Close Norwich NR1 4DJ

Also based in Attleborough and Cromer

☎ 01603 227600

✉ enquiries@mapartners.co.uk

mapartners.co.uk



Disclaimer We believe the information in Tax Rates 2023/24 to be correct at the time of going to press, but we cannot accept any responsibility for any loss occasioned to any person as a result of action or refraining from action as a result of any item herein. **November 2023** Printed and published by © MA Partners LLP M+A Partners is the trading name of MA Partners LLP and MA Partners Audit LLP which are limited liability partnerships. A list of members may be inspected at our registered office: 7 The Close, Norwich, NR1 4DJ. The term "partner" is used to refer to a member of MA Partners LLP or MA Partners Audit LLP or MA Partners LLP is regulated for a range of investment business activities and licensed to carry out the reserved legal activity of non-contentious probate in England and Wales by the Institute of Chartered Accountants in England and Wales. MA Partners LLP is registered in England and Wales (LLP number OC 361855). MA Partners Audit LLP is registered to carry on audit work in the UK and Ireland by the Institute of Chartered Accountants in England and Wales. MA Partners Audit LLP is registered in England and Wales (LLP number OC 427003).

M+A

Partners

Tax rates 2023/24

November 2023

Personal tax

Income tax rates

General rate	Dividend rate	Taxable income
2023/24		
20% ⁽¹⁾	8.75%	£0 to £37,700
40%	33.75%	£37,701 to £125,140
45%	39.35%	Over £125,140
2022/23		
20% ⁽¹⁾	8.75%	£0 to £37,700
40%	33.75%	£37,701 to £150,000
45%	39.35%	Over £150,000

Certain trusts taxed at 45% (39.35% on dividend income).

Scottish taxpayers are subject to the rates and bands set by the Scottish Government.

⁽¹⁾ Savings income taxable at 0% to the extent that other taxable income is less than £5,000.

Allowances and reliefs

	2023/24	2022/23
Personal allowance	£12,570 ⁽¹⁾	£12,570 ⁽¹⁾
Marriage allowance	£1,260 ⁽²⁾	£1,260 ⁽²⁾
Dividend allowance	£1,000	£2,000
Personal Savings allowance:		
Basic rate taxpayers	£1,000	£1,000
Higher rate taxpayers	£500	£500

Blind person's allowance	£2,870	£2,600
Married couples allowance	£10,375 ⁽³⁾	£9,415 ⁽³⁾
Minimum married couples allowance	£4,010	£3,640

⁽¹⁾ Withdrawn at a rate of £1 allowance for £2 of income over £100,000.

⁽²⁾ Spouses and civil partners not eligible for married couples allowance may transfer up to this amount between them, provided neither are liable to income tax above the basic rate.

⁽³⁾ Withdrawn at a rate of £1 allowance for every £2 income over £34,600 (£31,400 2022/23) subject to the minimum allowance. Relief is given at 10%. One spouse must have been born before 6 April 1935.

Inheritance tax

Tax rate on death	2023/24 and 2022/23
Nil	£0 to £325,000 ⁽¹⁾
40% ⁽²⁾	Over £325,000

⁽¹⁾ Additional residence nil rate band (NRNB) of £175,000 (£175,000 2022/23) for transfers for a main residence to direct descendants. NRB and NRNB for estate of spouse are increased by unused percentage of NRB and NRNB of pre-deceased spouse. NRNB is withdrawn at the rate of £1 for every £2 estate value over £2m.

⁽²⁾ Rate reduced to 36% where 10% or more of the net estate left to charity.

National insurance contributions 2023/24

Class 1			Employer (secondary) ⁽²⁾	
Employee (primary)			Weekly earnings	NIC rate
Weekly earnings	NIC rate			
6 Apr - 5 Jan	6 Jan - 5 Apr			
Below £242 ⁽¹⁾	0%	0%	Below £175	0%
£242.01 - £967	12%	10%	Above £175 ⁽³⁾	13.8%
Above £967	2%	2%		

Class 1A (employer) 13.8% on taxable non-cash benefits.

Class 1B (employer) 13.8% on Pay As You Earn Settlement Agreement (PSA) earnings.

Class 2 (self-employed) Flat rate £3.45 p.w. if annual profits exceed £12,570. Small profits threshold for contributory benefits entitlement remains as £6,725.

Class 3 (voluntary) Flat rate £17.45 p.w.

Class 4 (self-employed) 9% on annual profits between £12,570 and £50,270. 2% on annual profits above £50,270.

⁽¹⁾ Weekly earnings of £123 or more secure entitlement to contributory benefits.

⁽²⁾ Some private sector employers entitled to £5,000 annual employment allowance.

⁽³⁾ No employer contribution on weekly earnings £175 - £967 for employees aged under 21 and qualifying apprentices aged under 25.

Capital gains tax

	2023/24	2022/23
Basic rate individual ⁽¹⁾	10% / 18%	10% / 18%
Higher rate individual ⁽²⁾	20% / 28%	20% / 28%
UK trust ⁽²⁾	20% / 28%	20% / 28%
Business asset disposal and investors' relief gains	10%	10%
Business asset disposal relief lifetime limit	£1m	£1m
Investors' relief lifetime limit	£10m	£10m
Individual annual exemption	£6,000	£12,300
Trust annual exemption	£3,000	£6,150

⁽¹⁾ Rate for gains on disposals of residential property is 18%.

⁽²⁾ Rate for gains on disposals of residential property is 28%.

Pensions tax relief

	2023/24	2022/23
Annual Allowance ⁽¹⁾⁽⁴⁾	£60,000	£40,000
High earners restricted Annual Allowance ⁽²⁾⁽⁴⁾	£10,000	£4,000
Money Purchase Annual Allowance ⁽³⁾	£10,000	£4,000
Lifetime Allowance ⁽⁴⁾	No Limit	£1,073,100

Contributions are limited to the higher of £3,600 and 100% of relevant UK earnings, subject to the allowance restrictions.

⁽¹⁾ Tax relief applies to combined total employer and employee contributions up to the Annual Allowance plus unused Annual Allowances from the three previous years.

⁽²⁾ For those with total income more than £200,000 and adjusted income (broadly, income including all pension contributions) in excess of £260,000, the Annual Allowance is reduced by £1 for every £2 over £260,000, until, at £360,000 the minimum £10,000 allowance applies.

⁽³⁾ A restricted Money Purchase Annual Allowance applies to those who have accessed their pension fund under the flexible access rules.

⁽⁴⁾ For those in defined benefit schemes the allowances are measured in terms of value of pensions rather than contributions.

Individual savings account (ISA)

Annual contribution limits	2023/24 and 2022/23
Cash and Shares ISA	£20,000
Junior ISA ⁽¹⁾	£9,000
Lifetime ISA ⁽²⁾	£4,000

⁽¹⁾ Under the age of 18.

⁽²⁾ Aged 18-40 25% government bonus on annual savings to age 50. There is a charge on withdrawals before age 60 unless used to purchase first home. Contributions count for £20,000 limit on cash and shares ISA.

Tax efficient savings and investments

Maximum annual investment	2023/24 and 2022/23
Seed Enterprise Investment Scheme (SEIS)	£100,000 ^{(1) (5) (6)}
Venture Capital Trusts (VCTs)	£200,000 ^{(2) (7)}
Enterprise Investment Scheme (EIS)	£1m ^{(2) (3) (4) (6)}
Social Investment Tax Relief (SITR)	£1m ^{(2) (6)}

⁽¹⁾ Income tax relief at 50%.

⁽²⁾ Income tax relief at 30%.

⁽³⁾ Up to £2m for 'knowledge-intensive' companies.

⁽⁴⁾ Capital Gains Tax deferral on gains reinvested in EIS qualifying investments.

⁽⁵⁾ Capital Gains Tax exemption on 50% of gains reinvested in SEIS qualifying investments.

⁽⁶⁾ Gains free of Capital Gains Tax provided held for at least 3 years.

⁽⁷⁾ Gains free of Capital Gains Tax.

Car benefits 2023/24

Car benefit: Percentage (below) of list price		Fuel benefit: Percentage (below) of £27,800 ⁽¹⁾
CO2 emissions (g/km)	Electric Range (miles)	
0		2%
1 - 50	> 130	2%
1 - 50	70 - 129	5%
1 - 50	40 - 69	8%
1 - 50	30 - 39	12%
1 - 50	< 30	14%
51 - 54		15%
Tax charge increase by 1% per each additional 5g/km until:		
160 or more		37%

⁽¹⁾ Diesel cars that do not meet the Real Driving Emissions Step 2 (RDE 2) standard are subject to a diesel supplement of 4% (up to a maximum of 37%).

Van benefits	2023/24	2022/23
Company van benefit	£3,960	£3,600
Van fuel benefit	£757	£688

Approved mileage rates rate per mile (employee's own vehicle)		
Car or van: First 10,000 miles	45p	45p
Car or van: Over 10,000 miles	25p	25p
Motorcycle	24p	24p
Bicycles	20p	20p
Additional passenger payment	5p	5p

Employers' payments for business use are free of tax and NIC if they do not exceed the above rates.